

AMENDED IN SENATE SEPTEMBER 1, 2009

AMENDED IN SENATE JULY 16, 2009

AMENDED IN ASSEMBLY APRIL 14, 2009

CALIFORNIA LEGISLATURE—2009–10 REGULAR SESSION

**ASSEMBLY BILL**

**No. 262**

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**Introduced by Assembly Member Bass  
(Coauthor: Assembly Member Fuentes)**

February 11, 2009

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An act to amend ~~Sections~~ *Section 25450 and 25450.1* of the Public Resources Code, relating to energy, *and making an appropriation therefor.*

LEGISLATIVE COUNSEL'S DIGEST

AB 262, as amended, Bass. American Recovery and Reinvestment Plan: energy activities, programs, or projects.

Existing law requires the Public Utilities Commission, State Energy Resources Conservation and Development Commission (Energy Commission), and the Department of Water Resources to undertake various programs related to energy and water conservation.

This bill would require that any moneys received by the state pursuant to the federal American Recovery and Reinvestment Act of 2009 that are directed for energy-related activities, programs, or projects, be administered by the state's energy and water agencies, and provide that those activities, programs, or projects should adhere to the principle of accountability while also adhering to existing state policies to promote energy efficiency, promote water conservation, promote the development and use of renewable energy resources, protect the environment, and provide green job training. *The bill would appropriate \$113,093,000*

to the Energy Commission for expenditure consistent with the federal American Recovery and Reinvestment Act of 2009 and applicable provisions of state law, including the provisions of the bill.

Existing law requires the Energy Commission to administer funds allocated to and received by the state pursuant to the federal Energy Independence and Security Act of 2007.

~~This bill would additionally require the Energy Commission to administer funds allocated and received by the state pursuant to the American Recovery and Reinvestment Act of 2009.~~

Vote: majority. Appropriation: ~~no~~ yes. Fiscal committee: yes. State-mandated local program: no.

*The people of the State of California do enact as follows:*

1 SECTION 1. Any moneys received pursuant to the federal  
2 American Recovery and Reinvestment Act of 2009 (Public Law  
3 111-5) that are directed for energy-related activities, programs, or  
4 projects, including energy efficiency and renewable energy  
5 programs, projects for the building of electrical transmission, and  
6 activities to create conservation or “green-collar” jobs, shall be  
7 administered by the appropriate state energy and water agencies  
8 and should adhere to the principle of accountability while also  
9 adhering to existing state policies to promote energy efficiency,  
10 including green building practices, promote water conservation,  
11 promote the development and use of renewable energy resources,  
12 protect the environment, and provide green job training.

13 ~~SEC. 2. Section 25450 of the Public Resources Code is~~  
14 ~~amended to read:~~

15 ~~25450. (a) The Legislature finds and declares all of the~~  
16 ~~following:~~

17 ~~(1) The 110th Congress enacted the Energy Independence and~~  
18 ~~Security Act of 2007 (42 U.S.C. Sec. 17001 et seq.) that establishes~~  
19 ~~an energy efficiency and conservation block grant program to~~  
20 ~~provide grants to eligible entities, including states and local~~  
21 ~~governments, to help them reduce fossil fuel emissions, improve~~  
22 ~~energy efficiency, and reduce overall energy consumption.~~

23 ~~(2) Section 545(e)(1)(A) of the Energy Independence and~~  
24 ~~Security Act of 2007 (42 U.S.C. Sec. 17155(e)(1)(A)) mandates~~  
25 ~~that states receiving block grants under the act use not less than~~  
26 ~~60 percent of the grant amount to provide subgrants to local~~

1 governments that are not eligible entities for the purposes of the  
2 act.

3 ~~(3) The 111th Congress enacted the American Recovery and~~  
4 ~~Reinvestment Act of 2009 (Public Law 111-5) that appropriates~~  
5 ~~funds for energy efficiency and conservation, water conservation,~~  
6 ~~home weatherization, green workforce development, and renewable~~  
7 ~~energy.~~

8 ~~(b) It is the intent of the Legislature that the state achieve the~~  
9 ~~purposes and implement the requirements for these energy and~~  
10 ~~conservation block grant programs in the most expedient manner~~  
11 ~~possible. Moreover, to the extent possible without causing undue~~  
12 ~~delay, the commission shall look to the Energy Independence and~~  
13 ~~Security Act of 2007 and the American Recovery and Reinvestment~~  
14 ~~Act of 2009 programs and make policy decisions that leverage and~~  
15 ~~maximize the use of these dollars, including, but not limited to,~~  
16 ~~the areas of energy efficiency, renewable energy, water efficiency,~~  
17 ~~weatherization, and green workforce development.~~

18 ~~SEC. 3. Section 25450.1 of the Public Resources Code is~~  
19 ~~amended to read:~~

20 ~~25450.1. (a) The commission shall administer funds allocated~~  
21 ~~to and received by the state pursuant to the Energy Independence~~  
22 ~~and Security Act of 2007 (42 U.S.C. Sec. 17001 et seq.) and the~~  
23 ~~American Recovery and Reinvestment Act of 2009 (Pub. Law No.~~  
24 ~~111-5).~~

25 ~~(b) The commission may award grants from funds received~~  
26 ~~pursuant to the Energy Independence and Security Act of 2007~~  
27 ~~and the American Recovery and Reinvestment Act of 2009, as~~  
28 ~~well as enter into contracts to perform functions required to~~  
29 ~~promptly award energy efficiency and conservation block grants.~~

30 ~~SEC. 2. Section 25450 of the Public Resources Code is~~  
31 ~~amended to read:~~

32 ~~25450. (a) The Legislature finds and declares all of the~~  
33 ~~following:~~

34 ~~(1) The cost of energy in California is increasing and creating~~  
35 ~~greater demands on local governments' operating budgets.~~

36 ~~(2) The 110th Congress enacted the Energy Independence and~~  
37 ~~Security Act of 2007 (42 U.S.C. Sec. 17001 et seq.) that provides~~  
38 ~~energy efficiency and conservation block grants to eligible entities,~~  
39 ~~including states, to reduce fossil fuel emissions, improve energy~~  
40 ~~efficiency, and reduce overall energy use.~~

(3) Section 545(c)(1)(A) of the Energy Independence and Security Act of 2007 (42 U.S.C. Sec. 17155(c)(1)(A)) mandates that states receiving block grants under the act use not less than 60 percent of the grant amount to provide subgrants to local governments that are not eligible entities for the purposes of the act.

(4) The 111th Congress enacted the American Recovery and Reinvestment Act of 2009 (Public Law 111-5) that appropriates funds for energy efficiency and conservation ~~block grants~~, *water conservation, home weatherization, green workforce development, and renewable energy.*

(b) It is the intent of the Legislature to fully implement the requirements for, and achieve the purposes of, the energy efficiency and conservation block grants provided pursuant to the Energy Independence and Security Act of 2007 and the American Recovery and Reinvestment Act of 2009 (Public Law 111-5), in the most expedient manner possible, and that the funds allocated to the state pursuant to those acts be administered by the commission. *Moreover, to the extent possible without causing undue delay, the commission shall look to the Energy Independence and Security Act of 2007 and the American Recovery and Reinvestment Act of 2009 programs and make policy decisions that leverage and maximize the use of these dollars, including, but not limited to, the areas of energy efficiency, renewable energy, water efficiency, weatherization, and green workforce development.*

(c) It is the intent of the Legislature to strive to maximize the opportunity to allocate funds toward the most cost-effective energy efficiency projects, and when allocating funds toward administration, the commission should use the allowable administrative expenses specified in Section 545(c)(4) of the Energy Independence and Security Act of 2007 (42 U.S.C. Sec. 17155(c)(4)) as a ceiling and improve efficiencies to allocate less than the allowable amount.

*SEC. 3. The sum of one hundred thirteen million ninety-three thousand dollars (\$113,093,000) is hereby appropriated to the State Energy Resources Conservation and Development Commission from the Federal Trust Fund for expenditure consistent with the federal American Recovery and Reinvestment Act of 2009 (Public Law 111-5) and applicable provisions of state law, including the provisions of this act.*

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2 **CORRECTIONS:**  
3 **Text—Page 1.**  
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